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Before the  
**FEDERAL COMMUNICATIONS COMMISSION**  
Washington, D.C. 20554

JUL 30 1997

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

In the Matter of	)	
	)	
LCI International Corp. and	)	
Competitive Telecommunications	)	RM-9101/
Association Petition for Expedited	)	
Rulemaking Concerning the	)	
Requirements Governing Operations	)	
Support Systems	)	
	)	
Implementation of the Local	)	CC Docket 96-98
Competition Provision in the	)	
Telecommunications Act of 1996	)	
of the Communications Act of 1934	)	

**Reply Comments of General Communication, Inc.**

General Communication, Inc. (GCI) hereby submits reply comments in support of the Petition for Expedited Rulemaking filed by LCI Telecom Corp. (LCI) and Competitive Telecommunications Association (CompTel) to establish reporting requirements and performance and technical standards for operations support systems (OSS). Parity and nondiscriminatory access to ILEC OSS functions are vital to achieving local competition, the goal of the Telecommunication Act of 1996.

In the Telecommunications Act of 1996, Congress adopted a policy of nationwide local competition. Only the RBOCs are precluded from providing long distance pending the development of local competition. All other ILECs are permitted to provide long distance service in advance of any local competition. OSS standards are needed for all ILECs, particularly non-RBOC ILECs, that have no incentive to

facilitate local competition in their areas.

All of the commenters,<sup>1</sup> except ILECs, support national rules as outlined in the Petition. They understand that without nondiscriminatory access and parity to OSS functions the competitive LEC (CLEC) will not be able to provide real competition to the ILEC. In GCI's experience, implementing OSS functions gives the ILEC incredible opportunity for delay and incredible opportunity to discriminate. Without standards, the ILEC will not implement a system that truly provides for parity between the carriers.

As stated in our comments, all ILECs, not just the Regional Bell Operating Companies (RBOCs), must comply with the standards outlined in the Petition. As pointed out by USTA,<sup>2</sup> non-RBOC ILECs are free to be in the long distance business now. They do not even have the incentives of Section 271 that the RBOCs have to ensure viable competition. Without nondiscriminatory access and parity to

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<sup>1</sup>See Comments of American Communications Services, In., Association for Local Telecommunications Services, AT&T Corp., Competition Policy Institute, Competitive Telecommunications Association, Excel Communications, Inc., General Communication, Inc., GST Telecom, Inc., Kansas City Fibernet, Inc. and Focal Communications Corporation, KMS Telecom, Inc. and RCN Telecom Services, Inc., LCI International Telecom Corp., MCI Telecommunications Corp., National Association of Regulatory Utility Commissioners, People of the State of California and the Public Utilities Commission of the State of California, Sprint Corp., Telco Communications Group, Inc., Telecommunications Resellers Association, Teleport Communications Group, Inc., Time Warner Communications Holdings, Inc., US ONE Communications Corporation, WinStar Communications, Inc., Wisconsin Public Service Commission and WorldCom, Inc.

<sup>2</sup>Comments of USTA, page 18.

OSS functions for all CLECs, local competition beyond the areas served by RBOCs will be constrained, contrary to the Telecommunications Act of 1996.

The Independent Telephone and Telecommunications Alliance (ITTA) is an alliance of small and mid-size ILECs. In their comments, they state that the petition "makes no mention of the special status afforded to mid-size telcos in the Telecommunications Act of 1996 and the FCC's Interconnection Order."<sup>3</sup> Further the "petitioners overlook the fact that the Telecommunications Act presumptively exempts, or authorizes the states to exempt, many of ITTA's members from the relief it requests."<sup>4</sup> ITTA in one place notes "that it is clear that the imposition of OSS standards, particularly as it applies to ITTA members, is an issue for the state commissions rather than the FCC."<sup>5</sup> Alternatively ITTA says "thus, although states enjoy exclusive authority to make necessary determinations under Section 251(f), it behooves the Commission, in the interest

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<sup>3</sup>Comments of ITTA, page ii.

<sup>4</sup>Id at 3. These companies are not exempt from complying with Section 251 of the Telecommunications Act. Rural telephone companies are exempt from the requirements until they receive a bona fide request. Then, the state commission must determine if the exemption should continue. It can only be continued if certain criteria is met. See 251(f)(1). Non-rural companies may ask the state commission to suspend or modify certain requirements of 251 based on certain criteria outlined in 251(f)(2). State commissions are encouraged by Congress and the FCC to give exemptions from complying with 251 in very limited circumstances.

<sup>5</sup>Id at 4.

of efficiency and rational decision making to expressly accommodate the unique circumstances of ITTA members at the same time it proposes any OSS standards."<sup>6</sup> These companies cannot have it both ways. The rules for parity and nondiscrimination outlined in Section 251 are national; the standards must also be national.

Initially, ITTA members attempt to thwart potential local competitors by denying any automated interface at all; which the Commission has already found to be anti-competitive and by creating heavy entry barriers by not complying with nondiscriminatory access to OSS, an unbundled network element.<sup>7</sup> Further, they ask the FCC to usurp the state commission's authority relating to exemptions and modifications. Under the Act, rural telephone companies are exempt from complying with 251(c) until a bona fide request is made. This provision was incorporated in the Act because many non-RBOC carriers said that competition would not come to these areas. However, competition is coming to these areas. GCI is currently initiating competitive local service in Anchorage, Alaska. GCI is in the negotiation process with Telephone Utilities of Alaska (TUA), Telephone Utilities of the Northland (TUNI) and Fairbanks Municipal

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<sup>6</sup>Id at 17.

<sup>7</sup>Congress gave the Commission authority to determine unbundled network elements. Iowa Utilities Board v. FCC, Case No 96-3321, slip op. at 103, (8th Circuit, July 18, 1997). OSS is a network element subject to unbundling. Id at 130-134.

Utilities System (FMUS). All of these companies are defined as rural telephone companies. For GCI to have an opportunity to succeed, we must have meaningful access to OSS. Without such nondiscriminatory access and, most important, parity, GCI will not be able to bring the benefits of competition to the areas it chooses to serve. The FCC should adopt the standards outlined in the Petition for all ILECs. The state commissions must stand firm in adopting these standards for all ILECs. The Commission and the state commission could then allow the ILECs an opportunity during the arbitration process to prove that they cannot meet the technical standards, but then, the Commission should order parity order performance reports for all ILECs. The Commission should not make any determination that would impede competition in these areas by lowering the standards for non-RBOCs.

ITTA members further claim that they "possess fewer resources and serve largely rural customer bases."<sup>8</sup> Further, they should not be required to meet "unreasonable demands of their larger, better financed competitors."<sup>9</sup> This is absurd. ITTA has among its members the following

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<sup>8</sup>Comments of ITTA, page 11.

<sup>9</sup>Id at 14-15.

companies, with their revenues and their rank in order of access lines<sup>10</sup>:

10th	SNET	\$1,327,600,000
11th	Alltel	\$1,197,673,000
14th	CBI	\$ 624,400,000
15th	Citizens	\$ 582,180,456
16th	PTI <sup>11</sup>	\$ 365,265,234
17th	Century	\$ 419,242,000
18th	TDS	\$ 354,841,000
21st	ATU	\$ 102,873,526
22nd	North State	\$ 56,562,205
23rd	Roseville	\$ 95,674,441
24th	Rock Hill	\$ 65,931,957
25th	Concord	\$ 51,226,162
26th	Illinois Con.	\$ 61,154,534
27th	Lufkin-Conroe	\$ 66,945,547

These companies are capable of providing the necessary nondiscriminatory access and parity to OSS functions.<sup>12</sup>

Since non-RBOCS are allowed to provide long distance today, they do not have the same incentives to comply with requirements of the Act and the rules promulgated thereunder. Therefore, the Commission and the state commissions must make it clear that an ILEC must come into compliance with the standards within a specific time frame.<sup>13</sup> During that timeframe, the ILEC should be required

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<sup>10</sup>See USTA Phone Facts, 1996.

<sup>11</sup>PTI owns TUA and TUNI in Alaska. Century and PTI have entered into an agreement for Century to buy PTI. This combination would make Century the 13th largest ILEC.

<sup>12</sup>Alternatively, GCI's revenues for 1995 were approximately \$120 million.

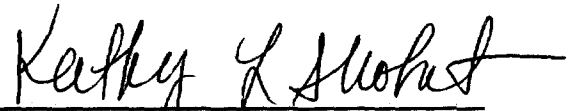
<sup>13</sup>Nondiscriminatory access and parity to OSS functions is as important to local competition as equal access has been (and continues to be) to long distance competition. Rural ILECs today consistently utilize divestiture era access plans and delay competition in the long distance marketplace. The

to submit quarterly parity reports to the Commission and the state commission and demonstrate its efforts in complying with the standards.

Competition, parity and nondiscrimination are just as important in non-RBOC areas as in RBOC areas. All carriers need standards that the industry as a whole can rely on. These standards must be implemented within a specific time frame. The Commission should adopt the proposed standards as outlined in the Petition for all ILECs.

Respectfully submitted,

GENERAL COMMUNICATION, INC.



Kathy L. Shobert  
Director, Federal Affairs  
901 15th St., NW  
Suite 900  
Washington, D.C. 20005  
(202) 842-8847

July 30, 1997


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Commission must not allow the ILEC to delay implementation of the OSS standards. Many of the ILECs use the same type of systems as the RBOCs and therefore should be able to implement the standards in a timely manner. To allow the non-RBOC ILECs more than 6 months to comply with these standards will only impede and delay competition and discriminate against consumers in non-RBOC areas. The Commission should also adopt penalties for non-compliance.

**STATEMENT OF VERIFICATION**

I have read the foregoing, and to the best of my knowledge, information and belief there is good ground to support it, and that it is not interposed for delay. I verify under penalty of perjury that the foregoing is true and correct.

Executed July 30, 1997.

  
Kathy L. Shobert  
Director, Federal Affairs  
901 15th St., NW  
Suite 900  
Washington, D.C. 20005  
(202)842-8847



**CERTIFICATE OF SERVICE**

I, Kathy L. Shobert, hereby certify that true and correct copies of the foregoing were served by first class mail, postage prepaid to the parties listed below.

  
Kathy L. Shobert

Anne K. Bingaman  
Douglas W. Kinkoph  
LCI International Telecom Corp.  
8180 Greensboro Drive, Suite 800  
McLean, VA 22102

Rocky Unruh  
Morgenstein & Jubelirer  
Spear Street Tower  
San Francisco, CA 94105

Genevieve Morelli  
CompTel  
1900 M St., NW  
Washington, DC 20036

Janice M. Myles (2 copies) \*  
Common Carrier Bureau  
FCC  
1919 M St., NW  
Room 544  
Washington, DC 20554

ITS \*  
1919 M St., NW  
Room 246  
Washington, DC 20554

\* Hand Delivery